

PITTSBURGH LAND BANK

POLICIES & PROCEDURES

All capitalized terms in the section narratives are defined in Article III

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Article I. Mission and Role as a Public Entity

Section 1.01 Mission Statement

(A) The mission of the Pittsburgh Land Bank (the “PLB” or the “Land Bank”) is to return unproductive real property to beneficial reuse, through an equitable, transparent, and public process, revitalize neighborhoods to strengthen the City of Pittsburgh’s tax base, and support socially and economically diverse communities.

Section 1.02 Role as a Public Agency and Equity Agent

(A) The PLB is a public body authorized by the Pennsylvania Land Bank Act (68 Pa.C.S.A §2101 et seq) (the “Act”), and created by Pittsburgh Ordinance 2014-25 (the “Ordinance”), and incorporated per certificate issued by Pennsylvania Department of State on May 2, 2014. It is governed by a Board of Directors appointed in accordance with the Ordinance.

(B) The Act and the Ordinance encourage or require the PLB to be an agent for equitable land recycling and management by way of:

- (i) PLB governance that includes representation of those areas identified by regular audits to be the most impacted by distressed and vacant parcels;
- (ii) Consistency with land use plans and planning provisions;
- (iii) Direct outreach to owner occupants and occupants with equity interest in real property within a policy preference to support homeownership and keeping owner occupants in their homes;
- (iv) Accessible information about PLB properties and policies;
- (v) Procurement that includes local sourcing, prevailing wage & minority outreach (as related to federal funding); and
- (vi) Inclusive housing.

Section 1.03 Organizational Context and Coordination

(A) The PLB is one of several local government entities and City Agencies involved in the overall land recycling and management system. As such, the PLB has a distinct role within this system. The PLB will work within its role within the systems and coordinate with the other relevant agencies to ensure alignment and efficiency.

(B) The PLB is a steward of property for the City. The public has the expectation that the City is the arbiter of land use and management by way of various authority and departmental functions like code enforcement, planning, and zoning and more generally, blight elimination and economic development. The PLB will partner with the City and the URA in citywide revitalization efforts. The PLB’s specific role will be to aid in the recycling and repurposing of land suitable for single family infill development, the stabilization of standing structures, and vacant land suitable for community needs. The City has an ongoing role providing for basic needs, citywide public infrastructure, and services and amenities, such as parks, for all City residents that may from time to time require land. Land assembly

for purposes of multi-unit residential, commercial, and large-scale redevelopment in geographically concentrated areas is the role of the URA.

- (C) The PLB shall enter into a three-party Cooperation Agreement with the City and URA per 124.12A(d) of the Ordinance setting forth the rights and obligations of each party in their ongoing interaction and as such neither the City nor the URA are an applicant, prospective end user, Interested Party or purchaser where ever these terms are used in the Ordinance and in these Policies and Procedures.

Article II. Authority

Section 2.01 Governing Documents

- (A) PLB's core governing documents are the Act, the Ordinance, PLB Bylaws as adopted on October 8, 2015, these Policies and Procedures, as amended, and any forthcoming ICAs and Cooperation Agreements.

Section 2.02 Delegated Authority

- (A) Unless otherwise provided in these Policies & Procedures, the Board of Directors of the PLB delegates to the PLB Executive Committee or its Staff, the authority:
 - (i) To acquire and dispose of property on behalf of the PLB;
 - (ii) To contract with third parties on behalf of the PLB;
 - (iii) To determine the fair market value of a property owned by the PLB;
 - (iv) To determine the potential for renovation of a structure; and
 - (v) To expend PLB funds consistent with its approved annual budget.
- (B) The authority provided in this Article may only be exercised consistent with these Policies and Procedures. The action of a PLB staff member inconsistent with these Policies and Procedures will have no effect unless ratified by the Board of Directors of the PLB.
- (C) Exceptions to these Policies and Procedures may be approved by the Board of Directors after a complete presentation by the PLB staff.
- (D) The PLB may enter into Cooperation Agreements with City Agencies that may provide them exempt status from certain requirements of these Policies and Procedures.

Article III. Definitions

Act. The Land Bank Law, Act 153 of 2012, codified at Title 68 Pa.C.S.A. §2101 et seq. and any successor law.

Appeal Party. Shall have the meaning provided in Section 12.01(A) hereof.

City. The City of Pittsburgh, a Home Rule Municipality.

City Agency or City Agencies. Any locally-controlled public or quasi-government agency, including Commonwealth Authorities, operating wholly within the boundaries of the City of Pittsburgh, including: Pittsburgh Water and Sewer Authority, Urban Redevelopment Authority, Pittsburgh Parking Authority, Sports and Exhibition Authority, and the Pittsburgh Public Schools.

Commercial Property. Commercial, industrial and mixed use properties and residential properties with five or more units as zoned per Pittsburgh Code, and under current use.

Consideration Amount. Purchase Price amount and form of payment for the transfer of Real Property from the PLB to a Qualified End User.

Cooperation Agreements. PLB agreements with City Agencies regarding PLB property acquisitions and dispositions that provide for coordination, alignment, and efficiencies.

County. County of Allegheny.

Development Plan. A comprehensive plan for the development or redevelopment of commercial property submitted by a Qualified End User for approval by the PLB.

ICA or ICAs. Intergovernmental Cooperation Agreements as authorized by state law between PLB and any Taxing Jurisdiction regarding tax sale procedures, or discharge of tax liens or municipal claims, or remittance real estate tax collection on Real Property disposed of by the PLB.

Interested Party. Any individual or entity that resides in, rents, or owns property within the neighborhood in which the property that is subject to a Section 5.04 disposition is located.

Major Commercial Property. Any commercial property with a gross building area of 10,000 square feet or more or occupying land one (1) acre or more.

Neighborhood Plan(s). Comprehensive neighborhood plans as Adopted or Accepted (“Adopted Plan” or “Accepted Plan”) by the Pittsburgh Planning Commission for guidance or use by the City and City Agencies in land use and investment decisions.

Ordinance. Pittsburgh Ordinance 2014-25 creating the Pittsburgh Land Bank.

Pittsburgh Land Bank or PLB. The Corporation or the PLB Chair or Chair’s designee, as context requires.

Property Costs. The aggregate costs and expenses of the PLB attributable to the specific property in question, including costs of acquisition, maintenance, repair, demolition, marketing of the property, and indirect costs of the operations of the PLB allocable to the property.

Qualified End User. An individual or business entity that, in addition to any specific requirements determined to be appropriate by the PLB, meets the general criteria as outlined in

section 6.03(A)(i) of these Policies as Procedures, as amended.

Real Property. As defined in the Act, land and all structures and fixtures thereon and all estates and interests in land, including easements, covenants and leaseholders.

Registered Community Organization. A designation that gives formal status to community based organizations that register with the City of Pittsburgh and provides benefits to those community organizations.

School District. The School District of Pittsburgh.

Side Yard. Vacant, unimproved land that has been determined qualifies for sale as a side yard per the Department of City Planning and proceeds per Section 5.07 of these Policies and Procedures.

Taxing Jurisdiction or Tax/Municipal Claim Jurisdiction. A county, city, borough, incorporated town, township, school district, or a body politic and corporate created as a municipal authority pursuant to law (municipal or local authority). who may have claims against property that is subject to delinquent tax enforcement procedures.

Urban Redevelopment Authority, or URA. A Redevelopment Authority, organized and existing under the Urban Redevelopment Law, 35 P.S. §1701 *et seq.*

Article IV. Acquisition of Properties

Section 4.01 General Considerations

- (A) In keeping with its mission and not intending to be the long-term holder of property without end use, as well as the budgetary guidelines set forth in the Ordinance, the adequate maintenance of the PLB's existing portfolio of property shall take priority over new acquisition in any given budget year. Upon ensuring the adequate maintenance of its existing portfolio, the PLB may elect to acquire new properties per its annual strategic priorities with its remaining budgetary resources.
- (B) The PLB may acquire vacant, abandoned, and tax-delinquent property to further its mission. In determining whether to acquire a property, the PLB will target those properties that meet one or more of the following criteria:
 - (i) There is a qualified end user committed to purchasing and returning the property to productive use;
 - (ii) There is a prospective end user, neighborhood resident, local governmental entity, community stakeholder, or other interested party who has requested that the PLB review the property for acquisition;
 - (iii) The redevelopment of the property will support strategic development efforts, is likely to act as catalyst for further development, or is part of a comprehensive development plan;

- (iv) Acquisition will support public infrastructure, green space development, or storm water management;
- (v) Acquisition will help stabilize or improve neighborhood conditions by reducing blight;
- (vi) Acquisition will help create or preserve homeownership opportunities;
- (vii) There is an existing market for the property, but title issues prevent the property from being developed to its highest and best use;
- (viii) Acquisition of the property will further the PLB's mission and the PLB has the resources to maintain and market the property.

Section 4.02 Pre-Acquisition Considerations

- (A) The PLB should consult with City Agencies, specifically the Pittsburgh Department of City Planning, to follow parcel categorization and any zoning, citywide or Accepted or Adopted Plans, when identifying which parcels to acquire.
- (B) The PLB will assess the condition, marketability, potential holding and maintenance costs, and possible end users of every property prior to acquisition. When possible, the PLB will conduct a complete condition assessment of all structures prior to acquisition.
- (C) Prior to acquisition, the PLB will ensure that it has available funds to hold and maintain the property for an extended ownership period of no less-than three (3) years.
- (D) The PLB shall strive for clear, insurable, and marketable title across its entire inventory. As such, the PLB may only acquire property:
 - (i) That already has clear and marketable title; or
 - (ii) Whose title issues can be resolved given the particular powers specifically available to Pennsylvania land banks like expedited quiet title and discharge of tax liens and municipal claims in accordance with the Act; or
 - (iii) At the discretion of the PLB staff and Board under special circumstances.
- (E) Environmental Consideration. The PLB will not take title to or have any work performed on Real Property that has or is likely to have environmental contamination without:
 - (i) Obtaining a Phase I environmental assessment;
 - (ii) Prior approval of the Board of Directors; and
 - (iii) Prior or funded environmental remediation rendering the site clean and free from contamination.
- (F) Notwithstanding section 4.02(E), the PLB may acquire Real Property with known or likely environmental contamination as a pass-through entity if:
 - (i) The Qualified End User agrees to fully indemnify the PLB for all liability stemming from environmental contamination on the commercial property; and

- (ii) The Qualified End User agrees to remediate existing environmental contamination to acceptable standards as a condition of the development agreement.
- (G) If a property is in a local historic district, the PLB will endeavor to communicate with the appropriate historic commission to determine potential disposition options prior to acquisition.
- (H) Prospective end users, community stakeholders, or other interested parties may submit a Request for Investigation to the PLB. The PLB may elect to assess properties brought to its attention under a Request for Investigation for potential acquisition provided it has the resources to do so.
- (I) The PLB will participate and coordinate with City Agencies in the land recycling and management system on the development of guidelines for its acquisition and banking of properties under special status on behalf of community development corporations for specific community based projects, including alignment with the anticipated forthcoming adoption of City policy regarding Registered Community Organizations. PLB will advance best practices drawn from the Pittsburgh Property Reserve.

Section 4.03 Post-Acquisition Considerations

- (A) Upon acquiring any property with a structure, the PLB will conduct a complete condition assessment if one has not already been conducted, secure the property, add the property to its maintenance schedule, and prepare a marketability assessment for the property.
- (B) As soon as practical following acquisition, the PLB will move forward with property disposition, demolition, or marketing following acquisition.
- (C) Upon acquiring a property, the PLB will make its ownership known to the public. If the PLB has been in contact with a prospective end user, neighbor, community based organization, or other interested party prior to acquisition, it will communicate its ownership of the property to the interested party or parties.
- (D) The PLB shall make short-term temporary licenses available to prospective purchasers for pre-development testing and planning, provided the licensee returns the property to its original state at the completion of said license.

Section 4.04 Acquisition through Tax Foreclosure

- (A) The Land Bank may bid on and acquire title to Real Property in judicial and non-judicial delinquent tax enforcement proceedings (“Tax Sales”), as determined to be the most efficient and effective method, in accordance with
 - i. Judicial: Section 2117(d) of the Act entitled, procedure relating to the act of May 16, 1923 (P.L. 207, No. 153) known as the Municipal Claims and Tax Lien Law and codified at Title 53 P.S. §7101 et seq. of Purdon’s Pennsylvania Statutes and any successor law, (“MCTLL”); OR
 - ii. Non-Judicial: Section 2117(e) of the Act, procedure relating to the act of October 11, 1984 (P.L.876, No.171), known as the Second Class City Treasurer's Sale and Collection

Act (“Treasurer’s Sale”), or other such general, special or local laws as may be applicable.

- (B) With regard to the Treasurer’s Sale, PLB shall enter into an agreement with the City and City Agencies that fulfills the Act’s Sections 2117(e)(2)(i) and (e)(1) required agreements and proceed in accordance with the Three Taxing Bodies Agreement dated November 30, 1992, as amended.
- (C) With regard to MCTLL, PLB and Tax/Municipal Claim Jurisdictions, initially the City, County and Pittsburgh School District, shall enter into an ICA that fulfills the Act’s Sections 2117(d)(2)(i) and (e)(1) required agreements.
- (D) PLB representatives will meet regularly with the City’s Finance Department and representatives of the third party tax collector, to strategically coordinate acquisitions with the combined delinquent claims enforcement ICA and related agreements as well as with the Act’s and MCTLL’s delinquent tax enforcement procedures and acquisitions at tax sale.
- (E) Upon acquisition after tax foreclosure, the PLB will coordinate with the City Real Estate Division and City Law Department for the satisfaction of divested delinquent taxes, assessments, charges, penalties, and interest, and for tax exempt status of the property for the entire period the PLB owns the property.

Section 4.05 Acquisition through Donation

- (A) The PLB may acquire property or rights or interests in property that is tax delinquent by donation, gift, or devise. Any such acquisition shall be in accordance with MCTLL procedures for donations of tax delinquent properties and extinguishment of delinquent claims for taxes, and with any ICA(s) required to implement such MCTLL procedures.
- (B) The PLB may also acquire property or rights or interests in property that is not tax delinquent by donation, gift, or devise. PLB shall make reasonable efforts to follow the procedures set forth in Section 4.02 for any such acquisitions.
- (C) If requested by a donor of property, the PLB, as an eligible charitable organization, will acknowledge a donation. The donor will be solely responsible for reporting and determining the value of any property donated to the PLB.
- (D) If a private property owner transfers a property to the PLB for land assembly, the PLB will have the right, but not the obligation, to maintain, repair, demolish, clean, and grade the property and perform all other tasks and services regarding the property that the PLB determines are necessary.

Section 4.06 Acquisition through Purchase

- (A) The PLB may acquire a property through purchase if no other means of acquisition is available and acquiring the property is a priority.

Article V. Disposition of Properties

Section 5.01 Disposition Types

- (A) All PLB Property Dispositions will be categorized as one of the following disposition types:
- (i) Residential Structures;
 - (ii) Vacant Land;
 - (iii) Side Yards; or
 - (iv) Commercial Properties
- (B) General considerations, prohibitions, and procedures applicable to each disposition type are set forth in Sections 5.02, 5.03, and 5.04. Processes and considerations specific to each disposition type are set forth in Sections 5.05 - 5.07 and Article VI.

Section 5.02 General Considerations Applicable to All PLB Disposition Types

- (A) The PLB will prioritize its disposition resources, including any dollars allocated for demolition, maintenance, and renovation, based on the following general criteria:
- (i) In neighborhoods with an active neighborhood plan or plans, developed with direct input from neighborhood residents, organizations, and institutions, when available.;
 - (ii) Where the targeted elimination of blight will make an impact on the overall stability of the neighborhood;
 - (iii) Where unrestricted dollars can bridge funding gaps to stabilize neighborhoods and preserve property values;
 - (iv) Where an investment will support mixed-income development; and
 - (v) Where an investment will leverage funds from existing federal, state, or local housing programs.
- (B) Transactions will be structured in a manner that permits the PLB to enforce conditions upon title pertaining to development and use of the property for a specified period, consistent with these Policies and Procedures.
- (C) The proposed end use should include consideration of any formally Adopted or Accepted Plans. An expression of community input for the proposed use submitted by neighborhood groups or the Pittsburgh Department of City Planning will be considered in any final decision of the PLB.
- (D) The proposed end use must follow current zoning and special use requirements, or a rezoning or variance must be obtained as a condition of the transfer.
- (E) Options to purchase PLB property may be available under terms negotiated by the prospective end user and the PLB. Any option fee will be credited to the purchase price at closing. If closing does not occur, the fee is forfeited.
- (F) In every transfer of Real Property, the PLB will require good and valuable consideration in an amount determined by the PLB in its sole discretion and consistent with these Policies

and Procedures.

- (i) The Consideration Amount for a property shall be equivalent to the fair market value of the property, but not less than \$500 (except as set forth in Section 5.07 regarding Side Yards). The Board of Directors shall provide guidance to PLB staff on methodology for determining fair market value, but staff shall have final discretion.
 - (ii) The PLB prefers that the Consideration Amount be paid in cash at closing. The PLB may, at its discretion, accept deferred financing, performance of contractual obligations, or performance of other obligations and responsibilities of the transferee in lieu of cash.
- (G) The PLB reserves the right to convey or not to convey Real Property, or to convey Real Property in the way that constitutes the best long term end use for the property and for the neighborhood. Considerations under this section include preserving access to adjacent property and preserving or promoting good planning practices.
- (H) If the rules of an external funding source or federal, state, or local laws and regulations require a disposition outcome that is contrary to these Policies and Procedures for a particular property, the PLB will comply with those rules, laws, or regulations.

Section 5.03 Owner and End User Qualification

- (A) The PLB shall sell property to only Qualified End Users. Qualified End User shall mean an individual or business entity that, in addition to any specific requirements determined to be appropriate by the PLB or set forth in Section 5.05 (Residential Structures), 5.06 (Vacant Land), 5.07 (Side Yards), or Article VI (Commercial Properties), satisfies the following requirements:
- (i) Owns no real property that:
 - 1) Has any unremediated citations or violations of the state and local property codes and ordinances, or has a recent history of such violations;
 - 2) Is tax delinquent, or was tax delinquent when the prospective end user transferred the property and the property remains tax delinquent;
 - 3) Was subject to a judgment in a tax foreclosure proceeding in the past five (5) years; or
 - 4) Has a delinquent water account with the City of Pittsburgh's Water and Sewer Authority, or any other local water utility, whether the water account is for a property the prospective end user occupies or a property occupied by a tenant, land contract vendee, or family member of the prospective end user.
 - (ii) In addition, an individual or business entity that was the owner of a property at the time of the tax foreclosure action which transferred title to the PLB may not subsequently qualify as a Qualified End User for that property.
 - (iii) For this section, ineligible parties include shareholders, partners, members, and officers of the business entity owner and immediate family members of the individual owner.

Section 5.04 Disposition Procedures Applicable to All PLB Disposition Types

- (A) The PLB disposition process shall be initiated by a prospective end user submitting a Property Transfer Application to the PLB. Property Transfer Applications for all disposition types shall be made available to the public by the PLB through the PLB's website.
- (B) Upon receipt of a Property Transfer Application, the PLB shall determine if the applicant is a Qualified End User.
- (C) The PLB will accept Property Transfer Applications for a property until PLB has entered into a Purchase and Sale Agreement with a Qualified End User. Should PLB receive multiple Property Transfer Applications for a property, priority for selection will be based on the factors outlined in Section 5.05(F) (Residential Structures), 5.06 (Vacant Land), 5.07 (Side Yards), or Article VI (Commercial Properties)
- (D) The PLB, in its discretion and in a manner consistent with these Policies and Procedures, including any additional policies and/or considerations set forth in Section 5.05 (Residential Structures), 5.06 (Vacant Land), 5.07 (Side Yards), or Article VI (Commercial Properties), shall determine a Consideration Amount and select a Qualified End User.
- (E) Online Public Notice. Upon selection of a Qualified End User, the PLB shall, within a reasonable time of such selection, provide public notice on the PLB's website of the proposed disposition. The online notice shall be posted at least thirty (30) days prior to any the execution of a Purchase and Sale Agreement (as set forth in (H) below). Online notice shall include, at a minimum, the name of the proposed purchaser/Qualified End User, the Consideration Amount, and the proposed use in sufficient detail to enable the public to understand the public benefits and neighborhood impacts. The PLB shall also provide a mechanism through which interested parties, including community organizations, may request and receive timely notifications of any proposed change in the status of any property or properties owned by the PLB.
- (F) Signage. Upon selection of a Qualified End User, the PLB shall, within a reasonable time of such selection, post notice of such selection on weatherproof signs on the subject property at least every one hundred (100) feet of street frontage up to a maximum of ten (10) signs. The signage shall be posted at least thirty (30) days prior to any the execution of a Purchase and Sale Agreement (as set forth in (H) below). Required signs shall be placed along the perimeter of the subject property in locations that are clearly legible from adjacent public streets. Required signs shall provide the name of the proposed purchaser, a description of the proposed reuse of the property and describe the process by which any Interested Parties may object.
- (G) Objection Process: Interested Parties may file a petition within twenty (20) days of the PLB's posting of online notice or signage in order to object to disposition of land. In the event that the PLB receives a petition signed by fifteen (15) or more Interested Parties, the PLB shall hold a predisposition Public Hearing in the neighborhood. The PLB may thereafter approve a disposition request only if:
 - (i) It determines, based on testimony received at the Public Hearing, that the disposition

would be consistent with the goals and needs of the neighborhood and that is likely to benefit the neighborhood in which the property is located; and

- (ii) The disposition is approved by a two-thirds vote of the entire Board of Directors.
- (H) Upon notification from the PLB that a Qualified End User has been selected for the disposition of a property, or that a disposition has been approved pursuant to Section 5.04(G) above, a Qualified End-User shall have thirty (30) days to enter into a Purchase and Sale Agreement for the property. The Purchase and Sale Agreement shall set forth a closing date, and contain, in addition to any requirements set forth in Section 5.05 (Residential Structures), 5.06 (Vacant Land), 5.07 (Side Yards), or Article VI (Commercial Properties), provisions that the PLB's obligation to close on the sale of the Property to the Qualified End User is contingent upon, among other things:
- (i) The Qualified End User's payment of the Consideration Amount at closing;
 - (ii) The Qualified End User's execution of a Renovation Enforcement Note and Mortgage, or reverter deed (if applicable);
 - (iii) The Qualified End User remaining in compliance with Section 5.03(A) above.
- (I) Closing on the disposition of a PLB property to a Qualified End User shall take place on the date set forth in the Purchase and Sale Agreement. A local title company shall serve as closing agent and, if required, escrow agent.

Section 5.05 Residential Structures

- (A) Residential Structure(s) shall mean any improved parcel that is located:
- (i) Within any area zoned for residential property per Title Nine of the Pittsburgh Municipal Code with a current residential use; or
 - (ii) Within any zoning district and has a valid Certificate of Occupancy designating it as a residential property.
- (B) Every Residential Structure acquired by the PLB and determined to be marketable after a complete condition and marketability assessment will be marketed to the public and available for a prospective end user to purchase.
- (C) The PLB will determine the initial listing price Consideration Amount for a Residential Structure pursuant to Section 5.02(F) above.
- (D) Property Transfer Applications for Residential Structures will only be accepted from prospective end users after the PLB has begun marketing the property to the public with a clear opportunity for title.
- (E) Qualification of End Users for PLB dispositions of Residential Structures will generally adhere to the conditions and processes set forth in Section 5.03 above. The PLB shall require the following information to qualify prospective end users of Residential Structures:
- (i) A plan for the complete renovation for the Residential Structure that will make the Residential Structure safe and habitable and return all of the Residential Structure's

system to functional condition (the “Renovation Plan”) per local Code and building standards as enforced by the Department of Permits, Licenses, and Inspections; and

- (ii) Proof of funding immediately available to acquire and complete the work as set forth in the Renovation Plan for each Residential Structure to be acquired and renovated. Acceptable proof of funding includes cash on-hand, available credit, and other liquid assets. Financial assistance offered by a friend or relative may not be accepted unless the individual or entity offering assistance is also an applicant;

The PLB may, at its discretions, require the following additional information to qualify prospective end users of Residential Structures:

- (iii) Expressions of Input from neighborhood-based organizations, renovation partners, lenders, purchasers of previously renovated properties, current or former tenants, and any other relevant parties;
- (iv) Proof of prior experience successfully renovating Residential Structures, including photographs of work undertaken and completed, and a narrative describing past or current projects; and
- (v) Any additional information the prospective end user wishes to share with the PLB that relates to the renovation project.

(F) PLB will use the following as priority guidelines for selecting between multiple Qualified End Users who have each submitted a completed Property Transfer Application:

- (i) Low- to Moderate-Income Owners Occupants verified by the PLB; then
- (ii) All other owner occupants; then
- (iii) Owners renting to immediate family members verified by the PLB; then
- (iv) Rental, land contract, or resale opportunities.

(G) In selecting among multiple Qualified End Users with equal priority under Section 5.05(F), the PLB will exercise discretion to select the Qualified End User that PLB Staff believes will develop the property in a manner most consistent with the PLB’s mission statement as set forth in Section 1.01.

(H) PLB dispositions of Residential Structures will generally adhere to the disposition procedures set forth in Section 5.05 above. In addition, the following supplementary considerations and procedures shall apply to the PLB’s disposition of all Residential Structures:

- (i) The Purchase and Sale Agreement shall reference the Renovation Plan.
- (ii) The purchaser shall complete the renovation work on the property pursuant to the Renovation Plan, and secure and provide proof of a temporary or permanent occupancy permit within a negotiated renovation time period. The Purchase and Sale Agreement will contain provisions setting forth these terms and conditions.
- (iii) At closing, the purchaser shall execute either a renovation enforcement note and mortgage, a deed-in-escrow, or a reverter deed. PLB staff will, at its discretion,

determine which documents are appropriate for each transaction.

- 1) Renovation Enforcement Note and Mortgage: Title will transfer to the purchaser at closing, at which time the purchaser will personally execute the Renovation Enforcement Note and the Renovation Enforcement Mortgage, which will secure the subject property. The amount of the Renovation Enforcement Note shall be the greater of the sale price of the property or the PLB's projected renovation costs for the property. When the renovation work is complete and either: 1) the purchaser has secured and provided proof of a temporary or permanent occupancy permit or 2) the property has passed the PLB's safety and habitability inspection, the PLB will provide the purchaser with written confirmation that the property is safe, functional, and habitable in satisfaction of the PLB's conditions and will record a satisfaction of the Renovation Note and Mortgage.
 - 2) Deed-in-Escrow: The PLB will retain title to the property at closing, and the deed transferring title to the purchaser will be held in escrow with the closing agent. The PLB will issue a notice to proceed allowing the purchaser to move forward with the renovation work. When the renovation work is complete and either: 1) the purchaser has secured and provided proof of a temporary or permanent occupancy permit or 2) the property has passed a safety and habitability inspection, the PLB will instruct the closing agent to transfer title in the property to the purchaser.
 - 3) Reverter Deed-in-Escrow: Title will be transferred to the purchaser. The purchaser will simultaneously execute a deed transferring title back to the PLB held by the escrow and title agent during the renovation time period. The deed held in escrow will be voided and released upon PLB confirmation that either: 1) the purchaser has secured and provided proof of a temporary or permanent occupancy permit or 2) the property has passed the PLB's safety and habitability inspection.
- (iv) Purchaser's failure to renovate the subject property in a manner consistent with the Renovation Plan during the renovation period as set forth in the Purchase and Sale Agreement, failure to comply any terms of the Purchase and Sale Agreement, or failure to comply with the terms of any other agreement between the purchaser and the PLB, shall, at the PLB's option, constitute an Event of Default. Upon the occurrence of an Event of Default, the PLB shall notify the purchaser in writing, and may, at the PLB's option, provide a period of time in which to cure the Event of Default. Upon the occurrence of an Event of Default, and the expiration of any applicable cure period, the PLB shall seek any remedies it deems appropriate. The PLB may permit a purchaser to convey a property back to the PLB in lieu of payment of the indebtedness and foreclosure.
- (v) Residential Structures shall not be rented, occupied, further mortgaged, or otherwise encumbered during the renovation period. If a purchaser intends to encumber the property with a third party mortgage required to obtain purchase or renovation financing, the PLB may subordinate its Mortgage against the property to enable renovation work to occur.

(I) In addition to the disposition procedures and considerations set forth in Section 5.04 and Section 5.05(H), the following considerations shall apply to the PLB's disposition of Owner Occupant Residential Structures:

- (i) Prospective end users who wish to acquire and renovate residential property as owner occupants may be referred to a HUD-certified housing counseling agency for a homeownership and financial literacy evaluation and counseling. Prospective end users may enroll at their discretion.
- (ii) Qualified End Users who are Owner Occupants and who satisfactorily complete a financial literacy and homeownership evaluation will be given purchase priority for PLB property, with particular priority to low-income individuals and affordable homeownership.
- (iii) Prospective end users who do not satisfy the requirements to become Qualified End Users, and/or who are unable to satisfactorily complete a financial literacy and homeownership evaluation may be required to complete mandatory financial literacy and homeownership counseling before being qualified as an end user.
- (iv) The PLB may waive the requirements of this section if a prospective end user can demonstrate the financial wherewithal to acquire, renovate, and maintain the property without incurring undue financial hardship.

(J) Marketing of Residential Structures

- (i) The PLB will list all properties that may be acquired and renovated under its Residential Structure program on its website.
- (ii) Properties under the Residential Structure program may be listed with a licensed, professional real estate firm ("Realtor"). The Realtor will serve as the PLB's agent and primary point of contact for that property.
- (iii) The PLB will consider a Realtor's opinion of value when setting the initial Consideration Amount purchase price of a property listed with a Realtor.
- (iv) The PLB will pay a fixed commission to the property's Realtor of \$x,xxx or x% of the Consideration Amount, whichever is greater, at closing. If a listing agreement terminates without the property's sale, the PLB may pay the property's Realtor a fee for a listing activity report in the PLB's sole discretion.
- (v) Properties for which renovation and occupancy are possible will be exclusively available to owner occupant end users (including bona fide renovation for resale to an owner occupant and family renovation end users at the PLB's discretion) for at least twenty (20) days following listing. The owner occupant exclusivity period may be extended or shortened by the PLB on a case-by-case basis.

Section 5.06 Vacant Land

(A) The PLB may sell, lease, or license vacant land to non-adjacent Qualified End Users at its discretion.

(B) PLB dispositions of Vacant Land will generally adhere to the disposition procedures set

forth in Section 5.04 above. In addition, the following supplementary considerations and procedures shall apply to the PLB's disposition of all Vacant Land.

- (i) If Vacant Land is eligible to be developed for new residential, commercial, or industrial use, the PLB may offer the vacant land for sale for "immediate development" at a Consideration Amount determined pursuant to 5.02(F) above. For purposes of this section 5.06, the term "immediate development" shall mean completion of all appropriate PLB disposition processes in a timely manner so that a Qualified End User has secured and provided proof of a temporary or permanent occupancy permit within fifteen (15) months of the Qualified End User's initial submission of Property Transfer Application to the PLB
- (ii) The PLB may convey Vacant Land for immediate development even if there are adjacent property owners who have expressed an interest in acquiring the land so long as PLB has followed the notice procedures set forth in Section 5.04.

Section 5.07 Side Yards

(A) PLB dispositions of Side Yards will generally adhere to the disposition procedures set forth in Section 5.04 above. In addition, the following supplementary considerations and procedures shall apply to the PLB's disposition of all Side Yards:

- (i) PLB shall only convey Side Yards that are ineligible for independent development based on local side yard sale guidelines or the PLB's own determination, including but not limited to the following criteria:
 - 1) Geographic location
 - 2) Topography
 - 3) Total land area
 - 4) Dimensions;
- (ii) In addition to those requirements set forth in Section 5.03, a Qualified End User in a Side Yard disposition:
 - 1) Must own property, containing an occupied structure, that is physically contiguous to the Side Yard, with not less than a 50% common boundary line on one side; and
 - 2) The Qualified End User shall not owe delinquent property taxes on any property owned by the Qualified End User, except that an end user will be deemed eligible if the end user has enrolled in a delinquent tax payment plan for all property owned by the end user, is in good standing on this plan, has demonstrated a good faith effort in that plan by making regular installment payments of at least 60% of the total plan amount, and, by the time of closing, the Qualified End User has satisfied all other conditions of the PLB disposition process.
- (iii) Any Property Transfer Application for a Side Yard must contain a description of the intended use for the proposed side yard.
- (iv) The Purchase and Sale Agreement for each Side Yard shall require that:

- 1) The Side Yard be combined to the adjacent property through consolidation, unless special circumstances render combination at the time of transfer impracticable or infeasible (the PLB shall support, and, only in its sole discretion, finance the costs of consolidation, where eligible); and
 - 2) The Qualified End User hold clear title to the contiguous property.
- (v) The PLB may enter into a Purchase and Sale Agreement with a Qualified End User prior to the PLB's acquisition of a particular Side Yard. If the PLB does not hold title when the Purchase and Sale Agreement is executed, the Purchase and Sale Agreement shall state that the PLB's obligation to close on the conveyance to the Qualified End User is conditioned upon the PLB ultimately acquiring title. Alternatively, such a Side Yard may close "in escrow" meaning that, at the time of closing, the Qualified End User will authorize the PLB to transfer title to the Side Yard into the end user's name upon the PLB's acquisition of clear title. The Consideration Amount will be paid at the time of closing or upon the PLB taking title, in the PLB's discretion
- (vi) If two or more Qualified End Users have applied for the same Side Yard, the PLB will divide the Side Yard among the Qualified End Users in the PLB's discretion. The PLB may require the Side Yard end users to pay for all or some of the cost of subdividing the Side Yard. Subdivision costs will be in addition to the Consideration Amount.
- (B) As noted in Section 5.02(F) Side Yard Consideration Amounts for Side Yards shall differ from standard PLB pricing.
- (i) The PLB will offer up to two contiguous Side Yard parcels to Qualified End Users for the total price of \$400 so long as the combined size of the lots remains incapable of independent development. Contiguous parcels are parcels contiguous to the Qualified End User's adjacent property or contiguous to another eligible Side Yard. Additional parcels beyond two may be sold as Vacant Land Disposition with prices set pursuant to Section 5.02(F) and Section 5.06(B).
 - (ii) If a parcel is offered as a Side Yard, the size of the parcel will not affect the Consideration Amount.

Article VI. Commercial Property

Section 6.01 Acquisition Considerations

- (A) The PLB may acquire a Commercial Property after a Qualified End User has submitted a Development Plan to the PLB.
- (B) The PLB may coordinate with the Pittsburgh Treasurer's office to carry out Tax Sale proceedings on an eligible Commercial Property, whether or not the PLB ultimately takes title to the property. Before taking title to a Commercial Property, the PLB may assess, secure, and market a Commercial Property.
- (C) The PLB will not acquire title to a Major Commercial Property unless it is deemed the preferred acquisition entity by the City and URA. If such acquisition is to occur, the PLB

must first receive approval by the Board of Directors and have a transfer agreement with the URA.

Section 6.02 Disposition Considerations

- (A) The PLB will prioritize Commercial Property end users with Development Plans that will accomplish some or all of the following goals:
 - (i) Achieve neighborhood stabilization;
 - (ii) Increase the marketability of residential properties;
 - (iii) Create new businesses and/or employment opportunities;
 - (iv) Preserve historic structures;
 - (v) Create new housing opportunities; and
 - (vi) Increase walkability or access public transit.
- (B) The PLB will avoid acquiring or disposing of a Commercial Property in a manner that may negatively affect the stability of any adjacent neighborhoods or the community, notwithstanding any offers or Development Plans received.

Section 6.03 Commercial Purchase Agreements

- (A) The PLB and the end user will negotiate the terms of the purchase agreement on a property-by-property basis. Terms will include Consideration Amount, Development Plan, end use plan, and project timeline.
- (B) Development Plans will contain the following:
 - (i) A list of all development partners, including contractors, project manager, architects, legal counsel, realtors, and any other partners;
 - (ii) A narrative description of the development work to be completed, project time line, and final end use;
 - (iii) The sources of financing or funding available to complete the project;
 - (iv) A description of or application for any special use permit, variance, or rezoning necessary to accomplish development plans; and
 - (v) A description of previous commercial property experience, if any.
- (C) Purchase agreements may be made conditional upon satisfaction of any of the requirements described in Section 6.04(B), or any other requirements necessary to demonstrate the capacity to undertake development work, at the PLB's sole discretion.
- (D) The PLB may retain an interest in Commercial Property through an Enforcement Note and Mortgage procedure described in Section 5.03. At the PLB's sole discretion, end users will either be required to certify code compliance with the Pittsburgh Department of Permits, Licenses, and Inspections, or hold a temporary or permanent occupancy permit, verifying the following:

- (i) The property is safe and secure;
- (ii) All major systems are properly installed and functional;
- (iii) The property is cleaned and appropriately maintained on both the interior and exterior; and
- (iv) Any other conditions in the purchase agreement.

Article VII. Blight Elimination

Section 7.01 Demolition Generally

- (A) The PLB will follow all local codes and statutes regarding demolition specifications at a minimum, and may set additional standards as may change from time to time.
- (B) Upon acquiring a property that may be demolished, the PLB will conduct a complete condition assessment on the property and reasonably estimate the cost of returning the structure to safe, habitable, and code compliant condition.
- (C) The PLB will review the property's complete condition assessment, estimate renovation costs, fair market value, and the input of neighbors, preservationists, and community stakeholders before making a final demolition decision.
- (D) The PLB may make demolition decisions prior to acquisition based on a complete exterior inspection if nuisance conditions necessitate expediency.

Section 7.02 Demolition and Salvage Partners

- (A) The PLB will partner with the public sector and private partners and contractors to facilitate the demolition of a property swiftly after a demolition decision has been made.
- (B) Whenever possible, the PLB will coordinate with residents and neighborhood-based organizations to identify a property for demolition through the PLB's program.
- (C) When possible, the PLB will identify condemned properties where materials may be safely salvaged prior to demolition, utilizing public and private sector partners to complete this work.
- (D) The PLB will utilize a Request for Qualifications process to keep a list of eligible demolition and salvage contractors for its work.

Section 7.03 Quality of the Demolition

- (A) Every PLB demolition will conform to the following specifications:
 - (i) Demolition of the primary residential structure and all ancillary structures on property, including garages and sheds, and all paved surfaces, including driveways, private walkways and patios;
 - 1) Instances where a shared party wall or another structurally integral wall to neighboring properties exists may be exceptions to this

- (ii) Removal of the foundation or removal of at least eighteen (18) inches of the basement wall below the surface while fully crushing the basement floor to allow for storm water drainage;
- (iii) Proper handling, including abatement and/or removal of lead, asbestos, or other contaminants as may be present, per PA State regulation;
- (iv) Removal of dead or dangerous trees, whenever possible;
- (v) Hauling of debris from the demolition site to a landfill for disposal, and providing verified original receipts from an approved land fill or dump site evidencing that the debris has been disposed of in a proper manner;
- (vi) Retention and restoration (if damaged) of the sidewalk and public right of way, unless otherwise indicated;
- (vii) In-fill of the foundation with materials that meet or exceed the trade standard to allow a proper grade and grass growth on the finished lot;
- (viii) Finishing the site so that it is level and free from debris, including along lot lines, and properly graded;
- (ix) Coverage of the site with at least six (6) inches of top soil, low or no-mow grass, clover mix, or hydro seeding of the site at a rate of six (6) pounds per 1000 square feet, and providing a cover of straw (when necessary), so grass is growing on the site and the site can be safely mowed and maintained;
- (x) Keeping the property and surrounding area clean and free from excess debris daily during demolition, including monitoring and limiting the amount of dust released during demolition activities, and following completion of demolition;
- (xi) Securing all necessary permits relating to the demolition and hauling of a residential structure, and providing proof of applicable demolition permits; and
- (xii) Performing the project in a professional, safe and workpersonlike manner, providing all necessary protections, and taking all necessary precautions to protect workers, bystanders, and adjacent property from injury or damage during the entire demolition project, such as but not limited to fencing, barricades or other protective barriers, and a reasonable effort to notify adjacent property owners.
- (xiii) Consistent demolition activity once work begins, including no lapse in progress and timely completion per contracted specifications.

Section 7.04 Salvage and Deconstruction

- (A) Salvage on a property owned by the PLB and scheduled for demolition may be permitted to recover important historic materials or architectural details. An organization with experience in salvage may contact the PLB at least thirty (30) days prior to the scheduled demolition and request salvage rights. Entities engaged in salvage activities must document satisfactory commercial general liability insurance and have its individual representatives sign a salvage waiver prior to entering the property.
- (B) Where health and safety concerns or timely coordination of the demolition make salvage impracticable, the PLB may deny a salvage rights request.

- (C) The PLB may expend funds to undertake deconstruction demolition, when feasible and when funding is available.

Section 7.05 Demolition of Historic Properties

- (A) The PLB will seek demolition of structures in local historic districts only after exhausting reasonable alternatives for the property, including:
 - (i) Marketing the property with a local realtor experienced in historic preservation;
 - (ii) Securing the property to prevent ongoing deterioration; and
 - (iii) Providing grant funds to a qualified end user to support renovation, if funding is available and approved by the Board of Directors.
- (B) To the extent required by law, the PLB will obtain approval prior to demolishing a property in a federal or local historic district or listed on the National Register of Historic Places.

Section 7.06 Commercial Property Demolition

- (A) The PLB must receive approval from the Board of Directors prior to allocating resources and demolishing a commercial property, as defined in Section 7.01(A).
- (B) Commercial demolition projects eligible for an expenditure of PLB resources must meet some or all of the following criteria:
 - (i) Projects in which the PLB can acquire title and for which there is a qualified end user for the property if the structure is demolished;
 - (ii) Projects in which a substantial investment will be made in the property or the surrounding area by an end user or a third party following demolition;
 - (iii) Projects in which matching funds are available to assist with demolition costs, including costs associated with environmental assessment and abatement;
 - (iv) Projects in proximity to existing businesses that will benefit from the demolition through workforce expansion, workforce retention, or new capital investment;
 - (v) Projects in proximity to an existing business likely to relocate if the nuisance structure is not demolished, but would remain if the nuisance were abated;
 - (vi) Projects that will increase the quality of life for residents of a surrounding residential neighborhood because of demolition;
 - (vii) Projects in which the structure constitutes a serious health and safety risk to the surrounding area and that risk will be minimized or eliminated because of demolition;
 - (viii) Projects in which the structure is functionally obsolete, cannot be returned to its original use, or cannot be converted to a different use; and
 - (ix) Additional criteria that increase a project's merit on a case-by-case basis.

Article VIII. Inventory

Section 8.01 Inventory Generally

- (A) The PLB will utilize either the same property inventory database system as both the Pittsburgh Real Estate Division and the URA, or one that can be easily and seamlessly integrated, including real time updates.
- (B) The PLB will make information related to its entire inventory available in this system, accessible to the public, per the Act and the Ordinance.

Article IX. Contractors

Section 9.01 General Considerations

- (A) Every PLB contractor will be required to pre-qualify for work through the PLB and work will only be awarded to pre-qualified contractors. In lieu of pre-qualification, a contractor may be required to complete an independent contractor agreement with the PLB before work is awarded at the discretion of the PLB.
- (B) In order to pre-qualify for work through the PLB, all prospective contractors must provide or have met the eligibility requirements laid out in the Request for Qualifications.
- (C) If a contractor meets the PLB's qualification standards, the contractor will be eligible for work through the PLB according to the contractor's trade or specialty.
- (D) The PLB reserves the right to require additional information in the procurement of professional and contracting services, including a financial statement from contractors, before qualifying a contractor.

Article X. Maintenance

Section 10.01 Maintenance Generally

- (A) The PLB will follow all local codes and statutes regarding maintenance of its portfolio of property, and may set additional standards as may change from time to time.
- (B) The PLB will endeavor to maintain property in a way that reduces or eliminates nuisance conditions, maintains or increases the property values of adjacent and nearby properties, and ensures the future marketability of the property.
- (C) Maintenance of its entire portfolio of properties is an obligation of the PLB and may include different types of activities on vacant land and on structures, and must be budgeted year by year, accordingly.
- (D) The PLB will utilize public sector and qualified contractors for all maintenance necessary on a property owned by the PLB, including locally sourcing its maintenance work to the greatest extent possible, per the Ordinance
- (E) The PLB will partner with the URA on its LandCare program for enhanced standards and guidelines, to ensure consistency and maximum local economic stimulus.

Section 10.02 Maintenance Standards

- (A) Depending on the final disposition of the property, the PLB may require newly acquired properties to be:
 - (i) Initially cleaned and cleared out;
 - (ii) Boarded up and otherwise secured;
 - (iii) Winterized;
 - (iv) Re-keyed or otherwise made accessible; and
 - (v) Regularly mowed and cleared.
- (B) The PLB will use public sector and qualified contractors to maintain a property based on the following standards:
 - (i) Mowing the property regularly as needed, to a length of four (4) to six (6) inches at each mowing;
 - (ii) Trimming any additional vegetation on a vacant unimproved property or on the frontage of improved property regularly as needed;
 - (iii) Keeping the property free of litter and debris;
 - (iv) Removing dead or dying trees as necessary and resources permit;
 - (v) Boarding or otherwise securing any open entry points on vacant structures that the PLB owns, as necessary and as resources permit.

Section 10.03 Leasing and Licensing Program

- (A) Residents, businesses, neighbors, block watches, or other organizations interested in maintaining vacant land owned by the PLB may apply to lease or license this land.
- (B) Prospective applicants must meet the same considerations as other PLB end users for vacant land, but will not be required to own adjacent property.
- (C) A license to enter, maintain, and enjoy the vacant land may be granted to an eligible end user at no cost. The PLB may elect to participate in the City's Adopt-A-Lot program.

Article XI. Insurance

Section 11.01 Insurance Requirements

- (A) Each property that the PLB acquires will be covered by general liability insurance for the duration of the PLB's ownership.
- (B) The PLB may purchase casualty insurance for a property on a case-by-case basis. Factors to consider regarding the purchase of casualty insurance include the proposed length of PLB ownership and the fair market value of the property.

Article XII. Appeals

Section 12.01 Appeals Generally

- (A) The term “Appeal Party” shall mean an individual or entity that:
- (1) has submitted a Property Transfer Application for, or lives within a 200-foot radius of, a property that is the subject of a notice of selection of a Qualified End User pursuant to Section 5.04(e) and/or (f) hereof; or
 - (2) lives within a 200-foot radius of a property that is owned by the PLB; and
 - (3) has requested in writing or at a meeting of the PLB Board that the PLB Chair review a particular matter for which the individual or entity is unsatisfied with a PLB staff member’s decision, determination, or conclusion.
- (B) The PLB Chair shall not entertain any request for an appeal if such request is for a property that is the subject of a Purchase and Sale Agreement pursuant to Section 5.04(h) hereof.

Section 12.02 Initial Appeal

- (A) Upon notice from an Appeal Party, the PLB’s Chair will independently discuss the matter with the staff member and the interested party and will notify the interested party of the outcome within seven (7) days.

Section 12.03 Further Appeal

- (A) When an Appeal Party is directly affected and unsatisfied by the outcome pursuant to 12.02 (A), the party may file an appeal with the PLB’s Board of Directors. The appeal must be in writing and submitted to the PLB no later than ten (10) days after notice of the PLB’s decision.
- (B) The PLB’s Board of Directors will consider each appeal on a case-by-case basis to determine whether the decision of the PLB followed these Policies and Procedures or the Board’s resolutions.
- (C) The PLB will ensure appeal decisions are made in a timely manner.
- (D) If the Board determines that the PLB acted in a way inconsistent with these Policies and Procedures or the Board’s resolutions, the Board may take action to correct the prior decision. When feasible, the Board may instruct the PLB to reconsider its decision in a manner consistent with these Policies and Procedures.
- (E) If the PLB has decided to acquire or dispose of a property or contract for services, and if at the time of the appeal the PLB has contracted to acquire or dispose of property or contract for services, the appeal will not affect the ability of the PLB to acquire or retain title to the property, dispose of the property, or perform its contractual obligations.
- (F) Regardless of the outcome of the appeal, the Board will instruct the PLB to notify the Appeal Party of the outcome of the appeal in writing. Decisions made by the full board shall be the final PLB determination and subject to no further appeal.

Article XIII. Financial Responsibility

Section 13.01 General Considerations

PLB shall maintain a balanced budget. The PLB shall not acquire Real Property that is associated with costs that are not provided for in its budget. PLB must budget and secure funds to pay for maintenance obligations associated with its Real Property. The PLB must budget to pay for the legal costs associated with clearing title so that land can be transferred out with free and clear title in furtherance of the City's vision for land use.

Section 13.02 Costs of Obligations

- (A) The PLB is obliged by City policy that recognizes obligations of property ownership which should be honored and enforced and by the Ordinance and the Act to maintain its often long term neglected property in accordance with applicable statutes, laws and codes. There are significant costs associated with maintenance of property.
- (B) The PLB must be compliant with local, state, and federal prevailing wage laws.

Section 13.03 Sources of Funding

- (A) Real Property related. The PLB may control, hold, manage, maintain, operate, lease as lessor, secure, prevent the waste or deterioration of, demolish, or take all other actions necessary to preserve the value of its Real Property inventory. The PLB may fix, charge, and collect rents, fees, and charges for use of its property as provided in the Act or the Ordinance as well as for services provided by the PLB. Any proceeds from the property sales shall be retained, expended, or transferred by the PLB as determined by the Board in the best interests of the Land Bank and in accordance with the Ordinance and the Act. The PLB is not authorized to levy any type of tax or special assessment.
- (B) Operational funding. The PLB may receive:
 - (i) Funding through grants and loans from the Federal Government, the State, the County, the City, School District and, any members of the PLB, and private sources;
 - (ii) Proceeds of insurance coverage for losses incurred, for income from investments and for an asset and activity lawfully permitted to PLB; and
 - (iii) Funding through remittance or dedication to PLB of a portion of real estate tax collections on property conveyed by the PLB pursuant to each of the three taxing body's authorizations. The City has authorized the remittance or dedication of 50% of said collections for five (5) years. The PLB shall approach the County and the School District to pursue an ICA which authorizes the same remittance or dedication to PLB.

Section 13.04 Methods of Accountability

- (A) Board Action. The PLB through its Board has sole discretion to expend funds within its budget as necessary to carry out the powers, duties, functions and responsibilities of the PLB. Certain financial related actions--incurring of debt, adoption or amendment of the annual budget and sale, lease, encumbrance, or alienation of real property, improvements or

personal property shall be approved by a majority of the entire Board membership.

- (B) Documentation. The PLB must have prepared, reviewed and approved, annually, at the PLB's expense:
 - (i) Audited financial statements;
 - (ii) A balanced budget inclusive of identification and duly approved funding associated with anticipated expenses; and
 - (iii) A report of its activities.
- (C) Policies. The Board shall adopt an investment policy that comports with the appropriate investment standards of public funds for the optimal deposit of funds that may be available to the PLB. The PLB shall establish guidelines for disbursements of funds.
- (D) Annual Audit and Report. The Land Bank shall annually, within 120 days after the end of the fiscal year, submit an audit of income and expenditures, together with a report of its activities for the preceding year, to the PA Department of Community and Economic Development. A duplicate of the audit and the report shall be filed with the City, County, and PLB. Upon review of the Annual Audit and Report every third year, City Council may initiate dissolution of this Chapter by way of resolution approved by a majority vote of City Council.

Article XIV. Approval and Modifications

Section 14.01 Approval and Modification Generally

- (A) No modification, waiver, amendment, or termination of these Policies and Procedures shall be valid unless approved by a vote of no less than two-thirds of the then serving Board members at a duly called Regular Meeting or Special Meeting of the Board, provided that a quorum is present. Notwithstanding the foregoing, the Board may, by a vote of no less than two-thirds of the then serving Board members at a duly called Regular Meeting or Special Meeting of the Board at which a quorum is present, authorize the PLB to enter into Cooperation Agreements with City Agencies and/or Commonwealth Authorities that may exempt certain transactions with such City Agencies and/or Commonwealth Authorities from specified requirements of these Policies and Procedures.